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HOUSE BILL 2141

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State of Washington

54th Legislature

1996 Regular Session

By Representatives L. Thomas, Chopp, Dickerson, Thompson, Boldt and Murray

Read first time 01/08/96. Referred to Committee on Government Operations.

1 AN ACT Relating to internal matters for the operations of counties;  
2 amending RCW 36.40.200 and 36.40.250; adding a new section to chapter  
3 36.01 RCW; and adding a new section to chapter 36.40 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 36.01 RCW  
6 to read as follows:

7 Counties may establish an audit committee to develop and maintain  
8 an internal and external audit system. Audit systems include use of an  
9 internal auditor or internal auditors with a system of internal  
10 controls that will safeguard assets, check the accuracy and reliability  
11 of accounting data, and encourage adherence to prescribed managerial  
12 policies for accounting and financial controls.

13 The audit committee consists of the county auditor, a member of the  
14 county legislative authority, and an at-large member. The at-large  
15 member must be appointed by the county auditor. The term of the at-  
16 large member must be set by resolution by the board of county  
17 commissioners. The at-large member cannot be a member of the auditor's  
18 staff or member of staff of the board of county commissioners. The  
19 county auditor is chair of the committee.

1       **Sec. 2.** RCW 36.40.200 and 1963 c 4 s 36.40.200 are each amended to  
2 read as follows:

3       All appropriations shall lapse at the end of the fiscal year(~~(:~~  
4 ~~PROVIDED, That)~~). However, the appropriation accounts (~~(shall)~~) may  
5 remain open for a period of (~~(thirty)~~) up to sixty days thereafter for  
6 the payment of claims incurred against such appropriations prior to the  
7 close of the fiscal year.

8       After (~~(such)~~) the period has expired all appropriations (~~(shall~~  
9 ~~become)~~) are null and void and any claim presented thereafter against  
10 any such appropriation shall be provided for in the next ensuing  
11 budget(~~(:~~~~PROVIDED, That)~~). However, this shall not prevent payments  
12 upon uncompleted improvements in progress at the close of the fiscal  
13 year.

14       **Sec. 3.** RCW 36.40.250 and 1995 c 193 s 1 are each amended to read  
15 as follows:

16       In lieu of adopting an annual budget, the county legislative  
17 authority of any county may adopt an ordinance or a resolution  
18 providing for biennial budgets with a mid-biennium review and  
19 modification for the second year of the biennium. The county  
20 legislative authority may repeal such an ordinance or a resolution and  
21 revert to adopting annual budgets for a period commencing after the end  
22 of a biennial budget cycle. The county legislative authority of a  
23 county with a biennial budget cycle may adopt supplemental and  
24 emergency budgets in the same manner and subject to the same conditions  
25 as the county legislative authority in a county with an annual budget  
26 cycle.

27       The procedure and steps for adopting a biennial budget shall  
28 conform with the procedure and steps for adopting an annual budget and  
29 with requirements established by the state auditor. The state auditor  
30 shall establish requirements for preparing and adopting the mid-  
31 biennium review and modification for the second year of the biennium.

32       Expenditures included in the biennial budget, mid-term modification  
33 budget, supplemental budget, or emergency budget shall constitute the  
34 appropriations for the county during the applicable period of the  
35 budget and every county official shall be limited in making  
36 expenditures or incurring liabilities to the amount of the detailed  
37 appropriation item or classes in the budget.

1        In lieu of adopting an annual budget or a biennial budget with a  
2 mid-biennium review for all funds, the legislative authority of a  
3 county may adopt an ordinance or a resolution providing for a biennial  
4 budget or budgets for any one or more funds of the county, with a mid-  
5 biennium review and modification for the second year of the biennium,  
6 with the other funds remaining on an annual budget. The county  
7 legislative authority may repeal such an ordinance or resolution and  
8 revert to adopting annual budgets for a period commencing after the end  
9 of the biennial budget or biennial budgets for the specific agency fund  
10 or funds. The county legislative authority of a county with a biennial  
11 budget cycle may adopt supplemental and emergency budgets in the same  
12 manner and subject to the same conditions as the county legislative  
13 authority in a county with an annual budget cycle.

14        The county legislative authority shall hold a public hearing on the  
15 proposed county property taxes and proposed road district property  
16 taxes prior to imposing the property tax levies.

17        NEW SECTION. Sec. 4. A new section is added to chapter 36.40 RCW  
18 to read as follows:

19        In addition to the supplemental appropriations provided in RCW  
20 36.40.100 and 36.40.140, the board of county commissioners may provide  
21 by resolution a policy for supplemental appropriations as a result of  
22 unanticipated funds from local revenue sources.

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